

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: DYNERGY MARKETING AND TRADE	DOCKET NO. CGP-01-4
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**ORDER APPROVING APPLICATION AND ISSUING CERTIFICATE TO PROVIDE
LARGE VOLUME SERVICE**

(Issued August 6, 2001)

On May 31, 2001, Dynergy Marketing and Trade (Dynergy) filed an application for a certificate as a competitive natural gas provider (CNGP) with the Utilities Board (Board). The Board's rules at 199 IAC 2.2(18) and 19.14 establish the filing requirements for the issuance of a certificate. Subrule 19.14(4) states that an applicant will be notified when its application is complete and the 90-day review period begins. The application was identified as Docket No. CGP-01-4. On June 5, 2001, the Board notified Dynergy that the application was complete and the 90-day review period had begun.

Based upon a review of the completed application, the Board finds that Dynergy is a partnership formed in the state of Colorado and as a partnership does not need a certificate from the Iowa Secretary of State to do business in Iowa. Subrule 199 IAC 19.14(2) allows CNGPs providing service in Iowa prior to April 25, 2001, to continue providing service during the certification process. Dynergy was providing service in Iowa to large volume customers prior to April 25, 2001, and therefore is authorized to provide service until the completion of its certification process.

Iowa Code § 476.87 requires that a competitive natural gas provider or aggregator must reasonably demonstrate managerial, technical, and financial capability sufficient to obtain and deliver the services it proposes to offer. The Board in 199 IAC 2.2(18) and 19.14 established the filing requirements for a CNGP to obtain a certificate. These requirements contain the information determined by the Board to be necessary to review the managerial, technical, and financial abilities of the applicant.

As required, Dynergy's application contains the professional background information for its principal managerial and technical personnel. It appears that Dynergy's staff possesses extensive knowledge of and experience in various areas of the natural gas industry including marketing of natural gas service. Dynergy indicated that it intends to only serve large volume customers in Iowa and so it did not file the financial and operational information required for a certificate to serve small volume customers. Additionally, Dynergy expressed its commitment to comply with all applicable conditions of certification contained in 199 IAC 19.14(5) and (6). Dynergy also acknowledged that failure to comply with all applicable conditions may result in the revocation of its certificate.

Based on a review of Dynergy's application, the Board finds that Dynergy has reasonably demonstrated that it possesses the appropriate managerial, technical, and financial capability sufficient to obtain and deliver the services it proposes to offer. The Board finds that Dynergy's application complies with the filing requirements of Board rules and that Dynergy will be issued a CNGP certificate to provide service to large volume customers as defined in 199 IAC 19.14(1). The

Board finds that no additional conditions should be placed on the certificate. To provide service to small volume customers Dynergy will need to file an application to amend its certificate and the information required by 199 IAC 2.2(18) and 19.14(6).

Concurrently with the issuance of this order, the Board will issue a certificate to provide service to large volume customers, identified as Certificate No. G-0002, to Dynergy. Dynergy will be subject to the reporting requirements contained in 199 IAC 19.14(5)"c," once the certificate is issued.

IT IS THEREFORE ORDERED:

- 1 The application for a certificate as a competitive natural gas service provider in Iowa filed by Dynergy Marketing and Trade, a partnership, is approved.
2. Dynergy Marketing and Trade shall comply with the filing requirements of 199 IAC 19.14(5).
3. Certificate No. G-0002 shall be issued to Dynergy Marketing and Trade.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper
Acting Executive Secretary

Dated at Des Moines, Iowa, this 6th day of August, 2001.